

## 2013 DRAFTING REQUEST

### Bill

Received: 12/16/2013 Received By: tdodge  
Wanted: As time permits Same as LRB:  
For: Frank Lasee (608) 266-3512 By/Representing: Rob Kovach  
May Contact: Drafter: agary  
Subject: Fin. Inst. - WCA Addl. Drafters: tdodge  
Insurance - other insurance  
Extra Copies:

Submit via email: YES  
Requester's email: Sen.Lasee@legis.wisconsin.gov  
Carbon copy (CC) to: tamara.dodge@legis.wisconsin.gov  
pam.kahler@legis.wisconsin.gov  
aaron.gary@legis.wisconsin.gov

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### Pre Topic:

No specific pre topic given

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### Topic:

Changes to portable electronic insurance; providing insurance in connection with a consumer credit transaction

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### Instructions:

See attached

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### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tdodge 1/8/2014			_____			
/P1	agary 1/17/2014	kfollett 1/17/2014	jmurphy 1/9/2014	_____	srose 1/9/2014		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1			rschluet 1/17/2014	_____	mbarman 1/17/2014	mbarman 1/17/2014	

FE Sent For:

NOT  
NEEDED

<END>

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/P1	agary 1/17/2014	kfollett 1/17/2014	jmurphy 1/9/2014		srose 1/9/2014		

per ARG

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/1			rschluet 1/17/2014	_____ _____	mbarman 1/17/2014		
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FE Sent For:

<END>

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Same as LRB:

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May Contact:

Drafter: **agary**Subject: **Fin. Inst. - WCA  
Insurance - other insurance**Addl. Drafters: **tdodge**

Extra Copies:

Submit via email: **YES**Requester's email: **Sen.Lasee@legis.wisconsin.gov**Carbon copy (CC) to: **tamara.dodge@legis.wisconsin.gov****pam.kahler@legis.wisconsin.gov****aaron.gary@legis.wisconsin.gov**

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/P1	agary 1/8/2014	kfollett 1/9/2014	jmurphy 1/9/2014		srose 1/9/2014		

1/15/14 1/15/14  
1/17/14 1/17/14

PA's: Please  
jacket 1/1.

Thx. ARG

FE Sent For:

**<END>**

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Received: **12/16/2013** Received By: **tdodge**  
Wanted: **As time permits** Same as LRB:  
For: **Frank Lasee (608) 266-3512** By/Representing: **Rob Kovach**  
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**Insurance - other insurance**

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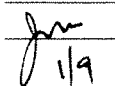
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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/?	tdodge	1/15/14 1/8		 1/9			

FE Sent For:

&lt;END&gt;

## Dodge, Tamara

---

**From:** Kahler, Pam  
**Sent:** Monday, December 16, 2013 5:21 PM  
**To:** Dodge, Tamara  
**Subject:** FW: 20131208 WI Bill Language.rtf  
**Attachments:** 20131208 WI Bill Language.rtf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Tami,

Rob sent this over. Looks like it's just a little addition. Since you drafted this section, I'll let you handle it. Okay?

---

**From:** LRB.Legal  
**Sent:** Monday, December 16, 2013 4:19 PM  
**To:** Kahler, Pam  
**Subject:** FW: 20131208 WI Bill Language.rtf

Hi Pam, would this be your area? Please let me know if you will handle this or if I should find someone else...

Thanks much ☺  
Lori

---

**From:** Kovach, Robert  
**Sent:** Monday, December 16, 2013 4:10 PM  
**To:** LRB.Legal  
**Subject:** FW: 20131208 WI Bill Language.rtf

Dear LRB,

Could you please have a bill drafted with the attached language?

Thanks!

## Rob Kovach

Policy Advisor/Committee Clerk  
Office of Senator Frank Lasee  
(608) 266-3512

---

**From:** Tony Langenohl [<mailto:tony.langenohl@capitolconsultants.net>]  
**Sent:** Monday, December 16, 2013 3:57 PM  
**To:** Kovach, Robert  
**Subject:** FW: 20131208 WI Bill Language.rtf

--  
**Tony Langenohl**  
*Vice President*  
Capitol Consultants, Inc.  
22 North Carroll Street  
Suite 200



Madison, WI 53703

<http://www.capitolconsultants.net>

e: [tony.langenohl@capitolconsultants.net](mailto:tony.langenohl@capitolconsultants.net)

p: 608.258.8411

m: 608.444.5076

f: 608.258.1578

Like us on Facebook: <https://www.facebook.com/capitolconsultants>

Follow us on Twitter: <http://twitter.com/capconsultants>

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<http://www.apptix.com/email-security/antispam-virus>

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### **632.975. Portable electronics insurance**

**(1) Definitions.** In this section:

- (a) "Customer" means a person who purchases or leases a portable electronic device.
- (b) "Enrolled customer" means a customer who elects coverage under a portable electronics insurance policy issued to a vendor of portable electronics.
- (c) "Location" means any physical location in the state or any Internet site, call center site, or similar location directed to residents of the state.
- (d) "Portable electronics" or "portable electronic devices" means electronic devices that are portable in nature, including accessories and services related to the use of the device, and that have an insured value of less than \$5,000.
- (e)1. "Portable electronics insurance" means insurance providing coverage for the repair or replacement of portable electronics that may provide coverage for a portable electronic device against any of the following causes of loss:
  - a. Loss.
  - b. Theft.
  - c. Inoperability due to mechanical failure.
  - d. Malfunction.
  - e. Damage.
  - f. Other similar causes of loss.
- 2. "Portable electronics insurance" does not include any of the following:
  - a. A service contract or extended warranty providing coverage limited to the repair, replacement, or maintenance of property for the operational or structural failure of property due to a defect in materials, workmanship, accidental damage from handling, power surges, or normal wear and tear.
  - b. A policy of insurance covering a vendor's or a manufacturer's obligations under a warranty.
  - c. A homeowner's, renter's, private passenger automobile, commercial multi-peril, or similar insurance policy.

(f) "Portable electronics insurance program" means the coverage options made available to customers of a vendor who elect to enroll for coverage of a portable electronic device under a policy of portable electronics insurance.

(g) "Portable electronics transaction" means the sale or lease of a portable electronic device to a customer.

(h) "Supervising entity" means a business entity that is a licensed insurer or licensed intermediary that is appointed by an insurer to supervise the administration of a portable electronics insurance program offered by a vendor to its customers.

(i) "Vendor" means a person in the business of engaging in portable electronics transactions directly or indirectly.

**(2) Authority.** (a) *Requirements.* A vendor or an employee or authorized representative of a vendor may sell or offer portable electronics insurance to customers without holding a certificate of authority under s. 601.04 or a license as an intermediary only if all of the following apply:

1. The vendor complies with the requirements of this section.

2. The insurer issuing the portable electronics insurance either directly supervises, or appoints a supervising entity to supervise, the administration of the sale of portable electronics insurance, including development of a training program, as described under sub. (4), for employees and authorized representatives of the vendors.

3. The supervising entity, if any, maintains a registry of vendor locations at which an employee or authorized representative is authorized to sell or offer portable electronics insurance in this state. Upon request by the commissioner after providing 10 days' notice to the supervising entity, the supervising entity shall make available the registry for inspection and examination by the commissioner.

4. Any employee or authorized representative who intends to sell or offer portable electronics insurance to customers shall complete a training program under sub. (4).

(b) *Prohibited representations.* No employee or authorized representative of a vendor of portable electronics may advertise, represent, or otherwise hold himself or herself out as a licensed insurance intermediary, if the employee or authorized representative does not hold a license as an intermediary in this state.

(c) *Scope.* Compliance by a vendor with this section shall authorize any employee or authorized representative of a vendor to sell or offer coverage under a policy of portable electronics insurance to a customer at each location at which the vendor engages in portable electronics transactions.

(d) *Applicability of existing law.* A vendor selling or offering portable electronics insurance is subject to ss. 601.41, 601.42, 601.61, 601.63, and 601.64, except that any forfeitures or penalties shall be in the amounts specified in sub.

**(3). s. 424.301 shall not apply to portable electronics insurance.**

**(3) Penalties.** If a vendor of portable electronics or an employee or authorized representative of a vendor violates any provision of this section, the commissioner may do any of the following:

(a) After notice and hearing conducted in accordance with s. 601.62, impose forfeitures not to exceed \$500 per violation.

(b) Order, under s. 601.41(4), any of the following:

1. Suspension of the selling or offering of portable electronics insurance at the specific business location where the violation occurred.

2. Suspension of the selling or offering of portable electronics insurance by an employee or authorized representative of a vendor.

3. Suspension or revocation of the selling or offering of portable electronics insurance by a vendor in this state.

**(4) Training.** The insurer or supervising entity shall develop and administer the training program required under sub. (2)(a)4. that complies with all of the following:

(a) The insurer or supervising entity shall deliver training to employees and authorized representatives of a vendor who are directly engaged in selling or offering portable electronics insurance.

(b) The insurer or supervising entity may provide the training in electronic form. If the training is in electronic form, the insurer or supervising entity shall implement a supplemental education program regarding portable electronics insurance that is conducted and overseen by licensed employees of the insurer or supervising entity.

(c) The insurer or supervising entity shall provide to every employee and authorized representative of a vendor basic instruction about the portable electronics insurance offered to customers and the disclosures required under sub. (6).

**(5) Compensation.** (a) A vendor of portable electronics may not compensate an employee or authorized representative based primarily on the number of customers enrolled in portable electronics insurance coverage but the vendor may compensate an employee or authorized representative, in a manner that is incidental to his or her overall compensation, for activities related to the sale or offering of portable electronics insurance.

(b)1. A vendor of portable electronics may bill and collect the charges for portable electronics insurance coverage.

2. The vendor shall separately itemize on the enrolled customer's bill any charge to the enrolled customer for coverage that is not included in the cost associated with the purchase or lease of the portable electronics.

3. If the portable electronics insurance coverage is included with the purchase or lease of a portable electronic device, the vendor shall clearly and conspicuously disclose to the enrolled customer that the coverage is included with the purchase or lease of the portable electronic device.

4. A vendor that bills and collects charges from an enrolled customer is not required to maintain those moneys in a segregated account if the insurer authorizes the vendor to hold those moneys in a manner other than a segregated account and if the vendor remits the moneys to the insurer or supervising entity within 60 days of receiving those moneys. The vendor shall consider all moneys received by that vendor from an enrolled customer for the sale of portable electronics insurance to be held in trust by that vendor in a fiduciary capacity for the benefit of the insurer.

5. The insurer or supervising entity may compensate the vendor for billing and collection services.

**(6) Disclosures.** At every location where portable electronics insurance is offered to customers, a vendor shall make available to prospective customers brochures or other written materials that contain all of the following:

(a) A disclosure that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of insurance coverage.

(b) A statement that a customer is not required to enroll in portable electronics insurance as a condition of purchasing or leasing a portable electronic device.

(c) A summary of the material terms of the portable electronics insurance coverage including all of the following:

1. The identity of the insurer.

2. The identity of the supervising entity, if any.

3. The amount of any applicable deductible and how to pay that deductible.

4. The benefits of coverage.

5. The key terms and conditions of coverage such as whether a portable electronic device covered under the policy may be repaired or replaced with parts or equipment of a similar make and model that are reconditioned or are non-original manufacturer parts or equipment.

(d) A summary of the process for filing a claim, including a description of how to return a portable electronic device and the maximum fee applicable in the event the enrolled customer fails to comply with any equipment return requirement.

(e) A statement that the enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and that upon cancellation the person paying the premium receives a refund of any applicable unearned premium.

**(7) Permitted offering.** A vendor may offer portable electronics insurance on a month to month or other periodic basis as a group or master commercial inland marine policy that is issued to a vendor of portable electronics for its enrolled customers.

**(8) Underwriting.** An insurer shall establish eligibility and underwriting standards for customers electing to enroll in coverage for each portable electronics insurance program offered by a vendor to its customers.

**(9) Termination of insurance; changes to policy.** (a) Except as provided in par. (c), an insurer may terminate or otherwise change the terms and conditions of a policy of portable electronics insurance only after providing the policyholder and all enrolled customers at least 30 days' notice before terminating the coverage or making the change.

(b) If the insurer changes the terms and conditions in accordance with par. (a), the insurer shall provide the vendor policyholder with a revised policy or endorsement and shall provide each enrolled customer a revised certificate, endorsement, updated brochure, or other evidence indicating that a change in the terms and conditions has occurred and a summary of the material changes.

(c)1. An insurer may terminate the enrollment of an enrolled customer under a portable electronics insurance policy after providing 15 days' notice if the insurer discovers that the enrolled customer committed fraud or made a material misrepresentation in obtaining coverage or in the presentation of a claim under the portable electronics insurance policy.

2. An insurer may immediately terminate the enrollment of an enrolled customer under a portable electronics insurance policy for any of the following reasons:

a. The enrolled customer fails to pay the premium for the portable electronics insurance policy.

b. The enrolled customer ceases to have an active service with the vendor of portable electronics.

3. An insurer may terminate the enrollment of an enrolled customer under a portable electronics insurance policy if the enrolled customer exhausts any aggregate limit of liability under the terms of the portable electronics insurance policy and the insurer sends notice of termination to the enrolled customer within 30 days after exhaustion of the limit. If the insurer does not send the notice within 30 days after exhaustion of the limit, the insurer shall continue the coverage notwithstanding the aggregate limit of liability until the insurer sends notice of termination to the enrolled customer.

(d) If a portable electronics insurance policy is terminated by a vendor that owns the policy, the vendor shall mail or deliver, at least 30 days before the termination, written notice to each enrolled customer advising of the termination of the portable electronics insurance policy and the effective date of termination.

(e) Any notice or correspondence with respect to coverage under a policy of portable electronics insurance that is required under this section or is otherwise required by law shall be in writing and may be mailed to the vendor at the mailing address of the vendor and to the enrolled customers at their last known mailing addresses on file with the insurer or delivered by electronic means to the vendor and enrolled customers. If the notice or correspondence is mailed, the insurer, or vendor, that mailed the notice or correspondence, shall maintain proof of mailing in a form authorized or accepted by the U.S. postal service or other commercial mail delivery service. If delivery of the notice or correspondence is by electronic means, the insurer shall use the electronic mail address specified by the vendor for that purpose and the insurer, or vendor, shall use the last known electronic mail address provided by each enrolled customer. An enrolled customer who provides an electronic mail address to the insurer or vendor consents to receive notices and correspondence by electronic means. If delivery is by electronic means, the insurer or vendor, whichever delivers the notice or correspondence, shall maintain proof of delivery.

(f) A supervising entity may send any notice or correspondence required by this section or otherwise required by law. An insurer or vendor is not required to provide the notice or correspondence if it is provided by a supervising entity in a manner that complies with this section.

<<For credits, see Historical Note field.>>

Current through 2013 Wisconsin Act 57, published 11/15/2013.

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END OF DOCUMENT



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3860/P1  
ARG&TJD:...

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

Gen

1 **AN ACT ...; relating to:** portable electronics insurance.

***Analysis by the Legislative Reference Bureau***

X Current law establishes criteria for selling and offering portable electronics insurance and imposes certain requirements and restrictions relating to the sale of portable electronics insurance. Portable electronics insurance is insurance providing coverage for the repair or replacement of portable electronics that may provide coverage for a portable electronic device against loss, theft, inoperability due to mechanical failure, malfunction, or damage, but portable electronics insurance does not include a service contract or extended warranty. A vendor of portable electronics may sell or offer to its customers coverage under a policy of portable electronics insurance issued by an insurer to the vendor and may bill and collect from its customers charges for the portable electronics insurance coverage. The vendor must make available for customers a brochure or other written material that contains certain disclosures, including that a customer is not required to enroll in portable electronics insurance as a condition of purchasing or leasing a portable electronics device and that an enrolled customer may cancel coverage at any time and receive a refund of any unearned premium.

Also under current law, the Wisconsin Consumer Act (WCA) imposes certain requirements and restrictions on creditors that contract for insurance coverage in connection with a consumer credit transaction. With a limited exception, a creditor may not contract for or receive a separate charge for insurance against loss of or damage to property unless the amount financed, exclusive of charges for the insurance, is \$800 or more and the value of the property is \$800 or more. The WCA also imposes other limitations on a creditor's ability to contract for or receive a separate charge for insurance against loss of or damage to the customer's property.



Under this bill, these provisions of the WCA do not apply to portable electronics insurance.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 424.301 (6) of the statutes is created to read: ✓

2           424.301 (6) This section ✓ does not apply to portable electronics insurance, as ✓  
3 defined in s. 632.975 (1) (e). ✓

4           **SECTION 2.** 632.975 (2) (d) of the statutes is amended to read: ✓

5           632.975 (2) (d) *Applicability of existing law.* A vendor selling or offering  
6 portable electronics insurance is subject to ss. 601.41, 601.42, 601.61, 601.63, and  
7 601.64, except that any forfeitures or penalties shall be in the amounts specified in  
8 sub. (3). Section 424.301 does not apply to portable electronics insurance.

9           **History:** 2011 a. 225; s. 35.17 correction in sub. (9) (e).

(END)

D-Note

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3860/P1dn  
ARG&TJD:...

*Date*

Please review the attached draft carefully to ensure that it is consistent with your intent.

In this draft, I have assumed that a vendor does not take any security interest in the portable electronic devices it sells and that a vendor does not require the purchase of portable electronics insurance in connection with any consumer credit transaction involving a portable electronic device. If I am mistaken in these assumptions, additional treatments may be necessary, see ss. 422.202 (1) (b) and (2s) (a) 2. and 4., and the analysis may also need to be modified, see s. 424.301 (1) and (1m).

Also, do you want s. 424.401 to apply to portable electronics insurance? Although the provision is difficult to interpret, it seems to me that this provision currently applies and may be inconsistent with s. 632.975.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: aaron.gary@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-3860/P1dn  
ARG:kjf:jm

January 9, 2014

Please review the attached draft carefully to ensure that it is consistent with your intent.

In this draft, I have assumed that a vendor does not take any security interest in the portable electronic devices it sells and that a vendor does not require the purchase of portable electronics insurance in connection with any consumer credit transaction involving a portable electronic device. If I am mistaken in these assumptions, additional treatments may be necessary, see ss. 422.202 (1) (b) and (2s) (a) 2. and 4., and the analysis may also need to be modified, see s. 424.301 (1) and (1m).

Also, do you want s. 424.401 to apply to portable electronics insurance? Although the provision is difficult to interpret, it seems to me that this provision currently applies and may be inconsistent with s. 632.975.

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Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: aaron.gary@legis.state.wi.us

## Gary, Aaron

---

**From:** Kovach, Robert  
**Sent:** Friday, January 17, 2014 12:11 PM  
**To:** Gary, Aaron; Rude, Nels  
**Subject:** RE: Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

Yes please.

## Rob Kovach

Policy Advisor/Committee Clerk  
Office of Senator Frank Lasee  
(608) 266-3512

---

**From:** Gary, Aaron  
**Sent:** Friday, January 17, 2014 12:07 PM  
**To:** Kovach, Robert; Rude, Nels  
**Subject:** RE: Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

I redrafted LRB-3887 into a "/1" and am sending it out jacketed.

Rob, you want me to redraft your bill to be identical to LRB-3887/1, right?

Thanks. Aaron

---

**From:** Kovach, Robert  
**Sent:** Friday, January 17, 2014 9:48 AM  
**To:** Rude, Nels; Gary, Aaron  
**Subject:** RE: Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

Dear Aaron,

Go ahead and jacket our senate version also.

Thanks!

## Rob Kovach

Policy Advisor/Committee Clerk  
Office of Senator Frank Lasee  
(608) 266-3512

---

**From:** Rude, Nels  
**Sent:** Friday, January 17, 2014 9:47 AM  
**To:** Gary, Aaron  
**Cc:** Kovach, Robert  
**Subject:** RE: Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

Aaron- Please jacket the draft for introduction. Sen. Lasee will be introducing the Senate version.

Thanks

Nels

**Nels Rude**

Office of State Representative John Nygren  
Co-Chair, Joint Committee on Finance  
89<sup>th</sup> Assembly District  
309 East, State Capitol  
608.267.2371  
[nels.rude@legis.wi.gov](mailto:nels.rude@legis.wi.gov)

---

**From:** Rep.Nygren

**Sent:** Thursday, January 16, 2014 12:15 PM

**To:** Schoenfeldt, Jeff; Rude, Nels

**Subject:** FW: Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

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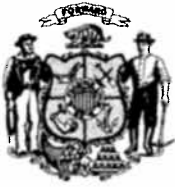
**From:** LRB.Legal

**Sent:** Thursday, January 16, 2014 12:14 PM

**To:** Rep.Nygren

**Subject:** Draft review: LRB -3887/P2 Topic: Changes to portable electronics insurance laws; providing insurance in connection with a consumer credit transaction

**Following is the PDF version of draft LRB -3887/P2.**



State of Wisconsin  
2013 - 2014 LEGISLATURE

TODAY



3860/1

LRB-3867/1  
ARG&TJD:kjf:rs

in  
1/17

RMNR

2013 BILL

comparison - no changes  
(-3867 edited today)

Regen

- 1 AN ACT *to amend* 632.975 (2) (d); and *to create* 424.301 (6) and 424.401 (6) of  
2 the statutes; **relating to:** portable electronics insurance.

---

***Analysis by the Legislative Reference Bureau***

Current law establishes criteria for selling and offering portable electronics insurance and imposes certain requirements and restrictions relating to the sale of portable electronics insurance. Portable electronics insurance is insurance providing coverage for the repair or replacement of portable electronics that may provide coverage for a portable electronic device against loss, theft, inoperability due to mechanical failure, malfunction, or damage, but portable electronics insurance does not include a service contract or extended warranty. A vendor of portable electronics may sell or offer to its customers coverage under a policy of portable electronics insurance issued by an insurer to the vendor and may bill and collect from its customers charges for the portable electronics insurance coverage. The vendor must make available for customers a brochure or other written material that contains certain disclosures, including that a customer is not required to enroll in portable electronics insurance as a condition of purchasing or leasing a portable electronics device and that an enrolled customer may cancel coverage at any time and receive a refund of any unearned premium.

Also under current law, the Wisconsin Consumer Act (WCA) imposes certain requirements and restrictions on creditors that contract for insurance coverage in connection with a consumer credit transaction. With a limited exception, a creditor may not contract for or receive a separate charge for insurance against loss of or damage to property unless the amount financed, exclusive of charges for the

# BILL

insurance, is \$800 or more and the value of the property is \$800 or more. The WCA also imposes other limitations on a creditor's ability to contract for or receive a separate charge for insurance against loss of or damage to the customer's property. For certain insurance products sold by a creditor, the WCA allows the customer to cancel the insurance product within 30 days and the creditor must provide notice of this 30-day cancellation period.

Under this bill, these provisions of the WCA do not apply to portable electronics insurance.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 424.301 (6) of the statutes is created to read:

424.301 (6) This section does not apply to portable electronics insurance, as defined in s. 632.975 (1) (e).

**SECTION 2.** 424.401 (6) of the statutes is created to read:

424.401 (6) This section does not apply to portable electronics insurance, as defined in s. 632.975 (1) (e).

**SECTION 3.** 632.975 (2) (d) of the statutes is amended to read:

632.975 (2) (d) *Applicability of existing law.* A vendor selling or offering portable electronics insurance is subject to ss. 601.41, 601.42, 601.61, 601.63, and 601.64, except that any forfeitures or penalties shall be in the amounts specified in sub. (3). Sections 424.301 and 424.401 do not apply to portable electronics insurance.

**(END)**